Rate of inflation

†1620. SHRI RAJ MOHINDER SINGH MAJITHA:

SHRI RAM JETHMALANI:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that in most of the developed and developing countries, Consumer Price Index (CPI) is used to assess the rate of inflation instead of Wholesale Price Index (WPI);

(b) if so, the number of such countries;

(c) the names of the countries where WPI is treated as criterion for inflation; and

(d) the reasons for not using CPI as a criterion of Inflation in India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Different countries use different price indices for measuring inflation such as Consumer Price Index (CPI), Producer Price Index (PPI) and Wholesale Price Index (WPI). In the case of India, in addition to Wholesale Price Index, four other price indices are computed *viz*. Consumer Price Indices for industrial workers (CPI-IW), Urban-Non-Manual Employees (CPI-UNME), Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL).

(b) and (c) Consumer Price Index (CPI) and Producer Price Index (PPI) are generally used in most of the countries; as per information of International Financial Statistics (September, 2007) of the IMF, WPI is used in twenty-four countries in the world. Presently, WPI users countries are India, Austria, Brazil, Central African Republic, Egypt, EL Salvador, Indonesia, Iran, Ireland, Japan, Jordan, Kuwait, Mexico, Morocco, Pakistan, Panama, Peru, Saudi Arabia. Singapore, Sri Lanka, Syrian Arab Republic, Turkey, Ukraine and Uruguay (IFS-Sept, 2007).

(d) The four consumer price indices (CPIs) are specific to a group of consumers. The commodity basket and weights for these indices are derived based on group-specific consumer expenditure surveys. The Wholesale Price Index (WPI) is however, an economy wide index covering 435 commodities. Weights of these commodities are derived based on the value of quantities in the cosmetic market. As such it is a more comprehensive measure of economy-wide inflation available with high frequency.

Non-performing assets with banks

1621. SHRI RAMACHANDRA KHUNTIA: Will the PRIME MINISTER be pleased to state:

(a) the position of non-performing assets in State Bank of India, Nationalized Banks alongwith list of the big defaulters; and

(b) the action being taken by the banks to realize the loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) As on March, 2008, the Gross non-performing assets of State Bank of India and Nationalised banks stood at Rs. 12,576 crore and Rs. 25,117 crore respectively. Credit Information Bureau (India)

†Original notice of the question was received in Hindi